INSURANCE REGULATORY TRUST FUND
INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2002

	December-02				September-02				Current Fiscal YTD	Prior Year FY02	3 Years Ended 6/30/2002	5 Years Ended 6/30/2002
		Allocation		Quarter		Allocation		Quarter				
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY												
Structured Growth												
AllianceBernstein	10,783	1.3%	1.5%	2.89%	27,422	1.3%	1.5%	-13.54%	-11.04%	-28.65%	-16.80%	N/A
Russell 1000 Growth				7.15%				-15.05%	-8.97%	-26.49%	-16.15%	N/A
Structured Value												
LSV	12,094	1.5%	1.5%	6.53%	29,716	1.5%	1.5%	-18.60%	-13.28%	2.41%	5.40%	N/A
Russell 1000 Value				9.22%				-18.77%	-11.28%	-8.96%	-2.92%	N/A
S&P 500 Index												
State Street	56,333	7.0%	7.0%	8.41%	135,978	6.7%	7.0%	-17.26%	-10.30%	-18.03%	-9.27%	3.58%
S&P 500				8.44%				-17.28%	-10.30%	-17.99%	-9.18%	3.67%
TOTAL LARGE CAP DOMESTIC EQUITY	79,211	9.8%	10.0%	7.34%	193,116	9.5%	10.0%	-16.96%	-10.86%	-16.89%	-8.30%	3.74%
S&P 500				8.44%				-17.28%	-10.30%	-17.99%	-9.18%	3.67%
SMALL CAP DOMESTIC EQUITY												
Manager-of-Managers												
SEI	37,892	4.7%	5.0%	4.91%	100,039	4.9%	5.0%	-19.31%	-15.35%	-11.77%	N/A	N/A
Russell 2000 + 200bp				6.68%				-20.97%	-15.69%	-7.96%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	37,892	4.7%	5.0%	4.91%	100,039	4.9%	5.0%	-19.31%	-15.35%	-11.69%	2.22%	4.32%
Russell 2000				6.16%				-21.40%	-16.55%	-8.59%	1.67%	4.44%
CONVERTIBLES												
TCW	79,189	9.8%	10.0%	8.15%	207,509	10.2%	10.0%	-10.05%	-2.72%	-20.37%	-2.22%	N/A
First Boston Convertible Index				9.83%				-8.47%	0.52%	-12.44%	0.11%	N/A
INTERNATIONAL EQUITY												
Large Cap - Active												
Capital Guardian	71,640	8.9%	9.0%	7.30%	189,029	9.3%	10.0%	-20.58%	-14.78%	-12.10%	-2.96%	2.87%
MSCI EAFE - 50% Hedged				4.04%				-20.02%	-16.79%	-14.62%	-7.32%	-1.89%
Small Cap - Value												
Lazard	7,826	1.0%	1.0%	N/A	-	0.0%	10.0%	N/A	N/A	N/A	N/A	N/A
SSB BROAD MARKET INDEX < $2BN				N/A				N/A	N/A	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	79,466	9.9%	10.0%	7.81%	189,029	9.3%	10.0%	-20.58%	-14.37%	-12.10%	-2.96%	2.87%
MSCI EAFE - 50% Hedged				4.04%				-20.02%	-16.79%	-14.62%	-7.32%	-1.89%
DOMESTIC FIXED INCOME												
Core Bond												
Western Asset	127,763	15.9%	15.0%	2.96%	341,638	16.8%	15.0%	3.51%	6.57%	8.36%	8.53%	7.80%
Lehman Aggregate				1.57%				4.58%	6.22%	8.62%	8.10%	7.57%
Index												
Bank of ND	67,775	8.4%	9.0%	1.65%	191,372	9.4%	9.0%	5.96%	7.71%	8.38%	7.79%	7.42%
Bank of ND CD'S	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	5.04%	5.55%	5.48%
Total Index	67,775	8.4%	9.0%	1.65%	191,372	9.4%	9.0%	5.96%	7.71%	8.14%	7.66%	7.30%
Lehman Gov/Credit				1.73%				5.70%	7.52%	8.24%	7.86%	7.47%
BBB Average Quality												
Strong	51,393	6.4%	6.0%	4.48%	135,452	6.7%	6.0%	3.08%	7.69%	N/A	N/A	N/A
Lehman US Credit BAA				4.59%				2.70%	7.42%	N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	246,931	30.7%	30.0%	2.89%	668,462	32.9%	30.0%	4.11%	7.12%	7.55%	7.88%	7.42%
Lehman Gov/Credit				1.73%				5.70%	7.52%	8.24%	7.86%	7.47%
CASH EQUIVALENTS												
Bank of ND	281,598	35.0%	35.0%	0.41%	673,375	33.1%	35.0%	0.48%	0.89%	2.41%	4.76%	4.99%
90 Day T-Bill				0.43%				0.45%	0.88%	2.63%	4.68%	4.84%
TOTAL INSURANCE REGULATORY TRUST	804,285	100.00%	100.00%	3.80%	2,031,531	100.00%	100.00%	-4.35%	-0.72%	-1.97%	3.28%	5.80%
POLICY TARGET BENCHMARK				3.26%				-4.05%	-0.92%	-1.51%	2.76%	5.18%

NOTE: Monthly returns and market values are preliminary and subject to change.